

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

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MEMORANDUM

TO: Arlington Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: December 1, 2017

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY18 (since the amount under the prior schedule was maintained in FY18) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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ARLINGTON RETIREMENT SYSTEM

FUNDING SCHEDULE with 3(8)(C) - 17 years: 5.50% increases

RP-2014 projected from 2006 with MP-2016; 7.25% Discount Rate

Fiscal Year	Normal Cost	Unfunded Liability*	Funding		Schedule Contribution**	% Change
			Amortization of UAAL	Net 3(8)(c) Payments		
2019	2,632,751	140,076,883	9,706,210	400	12,339,361	5.50%
2020	2,751,225	142,089,572	10,266,401	400	13,018,026	5.50%
2021	2,875,030	143,646,296	10,858,587	400	13,734,018	5.50%
2022	3,004,406	142,547,684	11,484,582	400	14,489,389	5.50%
2023	3,139,605	140,565,176	12,146,300	400	15,286,305	5.50%
2024	3,280,887	137,729,245	12,845,765	400	16,127,052	5.50%
2025	3,428,527	133,937,532	13,585,113	400	17,014,039	5.50%
2026	3,582,810	129,077,970	14,366,601	400	17,949,812	5.50%
2027	3,744,037	123,027,943	15,192,614	400	18,937,051	5.50%
2028	3,912,518	115,653,390	16,065,670	400	19,978,589	5.50%
2029	4,088,582	106,807,829	16,988,430	400	21,077,412	5.50%
2030	4,272,568	96,331,306	17,963,701	400	22,236,669	5.50%
2031	4,464,834	84,049,257	18,994,452	400	23,459,686	5.50%
2032	4,665,751	69,771,278	20,083,817	400	24,749,969	5.50%
2033	4,875,710	53,289,801	21,235,107	400	26,111,217	5.50%
2034	5,095,117	34,378,659	22,451,817	400	27,547,334	5.50%
2035	5,324,397	12,791,538	12,791,538	400	18,116,336	-34.24%
2036	5,563,995	-	-	400	5,564,395	-69.29%

Amortization of Unfunded Liability as of July 1, 2018

Year	Type	Original Amort.	Percentage	Original #	Current Amort.	Years
		Amount	Increasing	of Years	Amount	Remaining
2006	ERI2003 - Town	15,910	4.00%	16	26,491	3
2019	Fresh Start	N/A	N/A	17	N/A	17

* Includes recognition of the following asset gains/(losses) in Fiscal 2020 through 2022:

2020	(\$2,267,025)
2021	(\$2,265,946)
2022	(\$132,866)

** Contribution is set to be the amount resulting from a 5.5% increase on the prior year's contribution, with 5.5% increases thereafter. The contribution in FY2035 decreases by -34.24%.